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WITCO CHEMICAL 47th ANNUAL REPORT 1966

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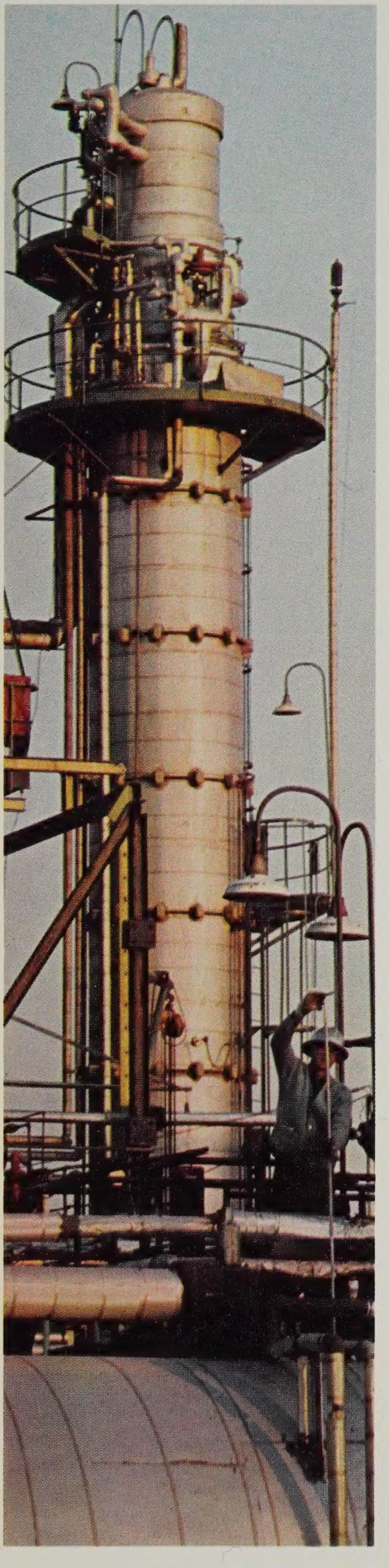
FRONT COVER: The corporate technical center, which commenced full operation in January, 1967, is dedicated to Witco's growth through the continued search for new products and processes.

AT RIGHT: A Witco chemical operator samples fully refined phthalic anhydride for final purity check prior to shipment.

Notice of Annual Meeting

The annual meeting of shareholders will be held Wednesday, April 26, 1967, 2 P.M., E.S.T., at Morgan Guaranty Hall, 15 Broad Street, New York, N. Y. The notice of meeting and proxy material will be mailed on or about March 31, 1967. Shareholders unable to attend this meeting are asked to sign and return their proxies promptly.



This is WITCO...

Witco Chemical has developed into one of the nation's principal producers of specialty chemical and petroleum products.

From its beginning in 1920 to its present stature, Witco has grown through a series of internal expansions and acquisitions. The roster of products manufactured is wide indeed. They are utilized in virtually every industry and they include white oils, petrolatums and waxes used in food processing, cosmetics and pharmaceuticals; organic chemicals used in the basic plastics, rubber, paint, paper and metal industries; Kendall® and Amalie® specialty oils for most automotive and marine lubricating applications; surfactants used in the manufacture of detergents, including many well-known brands of supermarket household cleaning products; a variety of plasticizers and stabilizers for plastics; and chemicals for urethane foams and elastomers used in bedding, cushioning, coatings and parts manufacture.

Financial performance, too, has kept pace with the Company's growth and product diversification. In 1958, when Witco common stock was first sold to the public, sales recorded for that year were under $40 million. (Adjusted for subsequent acquisitions, sales for 1958 were $106 million.) In 1966, sales exceeded $195 million, continuing their upward trend. Since 1958, net income from operations increased from $1.6 million to $9.3 million in 1966. (Adjusted for subsequent acquisitions, net income for 1958 was $3.5 million.) Dividends per share also have been increased each year since 1958. Capital expenditures during this nine-year period totaled $69.6 million.

The following pages illustrate what is happening at Witco today. To help you toward a better understanding of the Annual Report, a section is included in this report describing certain financial and product terms.

TABLE OF CONTENTS

Financial Highlights 2
Letter to Shareholders 3
Review of Operations 7
Financial Review 15
Income and Retained Earnings Statements 17
Balance Sheets 18
Notes to Financial Statements 20
Accountants' Report 21
Statistical Summary—10 Years 22
Glossary of Financial Terms 24
Glossary of Product Terms 26
Corporate Officers and Directors 28

FINANCIAL HIGHLIGHTS

Years Ended December 31, 1966 and 1965

	1966	1965
Net sales	**$195,897,800**	$175,567,000
Net income before Federal and foreign income taxes	**17,698,700**	15,239,000
Federal and foreign income taxes	**8,421,600**	7,055,000
Net income	**9,277,100**	8,184,000
Per share applicable to common stock (a)	**$2.82**	$2.45
Dividends per share:		
Common stock	**$1.15**	$1.00
Preferred stock	**$2.06**	—
Property, plant and equipment expenditures	**16,371,100**	8,087,000
Depreciation, depletion and amortization	**5,988,400**	4,939,000
Average number of common shares outstanding during period	**2,956,378**	2,918,391
Number of shareholders at year end	**5,990**	3,863

The data for 1965 have been adjusted for companies acquired in 1966 on the basis of poolings of interests and the Company's net equity in the operations of a 50% owned company which became wholly-owned in 1966.

(a) Based on the average number of shares outstanding during the year, after recognition of the pro forma dividend requirements of the Preferred Stock.

TO THE SHAREHOLDERS:

LEFT TO RIGHT: Witco founder Robert I. Wishnick, Chairman William Wishnick and President Max A. Minnig discuss plans for the completion of a new epoxy plasticizer plant, at Taft, Louisiana.

We take particular pleasure in presenting Witco's 1966 Annual Report because the past year was the most eventful and most successful year in our history, with sales, earnings and dividends reaching record levels.

Capital expenditures of $16.4 million included $6.9 million applicable to companies purchased during the year. Expenditures for new facilities for 1966 of $9.5 million were at an all-time high in 1966 compared with $8.1 million in 1965. Acquisition of Argus Chemical Corporation, Kendall Refining Company and Witfield Chemical Corporation during 1966 constituted the most ambitious expansion steps in any single year.

Witco's sales in 1966 rose to $196 million from $176 million in 1965. Net income for 1966 was $9.3 million, compared with $8.2 million in the prior year. Net earnings were equal to $2.82 a common share, compared with $2.45 in 1965.

In the third quarter, the quarterly dividend on the Company's common stock was increased to 30¢ per share from 25¢ paid in the prior period. This marked the tenth consecutive year in which cash dividends have been increased. Quarterly dividends on the new cumulative convertible preferred stock were also initiated at a rate of $2.65 annually.

On February 10, 1966, Witco acquired Argus Chemical Corporation for 300,000 shares of common stock and approximately $12 million in cash. Argus provided several new product lines with important end uses in the plastics field and significantly enhanced Witco's participation in this industry.

Kendall Refining Company was acquired on March 21, 1966. This was accomplished by exchanging 395,355 shares of Witco's new preferred stock for the outstanding shares of Kendall common stock. The addition of Kendall's well-accepted motor oils, lubricants and specialty petroleum products expanded our present manufacturing facilities and broadened our marketing base. Importantly, it increased our participation in the higher-than-average growth field of Pennsylvania specialty grade oils and lubricants.

Completing the acquisition program in 1966, Witco acquired on July 25, 1966 the other 50% interest in Witfield Chemical Corporation, a producer of the new "soft-type" (biodegradable) detergent raw materials.

Our capital expenditure program for the year represented a continuation of our endeavor to increase internal expansion of product lines. This effort was reflected in the new high in capital expenditures approximating $9.5 million. Significant plant expansions were completed or are in the process of being completed for metallic stearates, epoxy plasticizers, detergent chemicals, white oils and petroleum sulfonates, polyester resins for urethanes, and surfactants.

In 1966, the Company brought to the marketplace new specialty chemicals, surfactants, textile and urethane chemicals, and specialty lubricants.

Complementing this development of new products and expanded manufacturing capabilities was the Company's decision to place increased emphasis on research efforts at both the corporate and divisional levels. The Company's corporate technical center was completed at Oakland, New Jersey in the fourth quarter, while a new urethane and plastics applications laboratory presently is under construction in Chicago.

Our international operations were expanded through the construction of new facilities abroad, as well as by the acquisition of equity interests in affiliated manufacturing operations of Argus in seven overseas areas.

We are happy to report that in 1966 our shareholder roster increased substantially, and at the end of the year 5,990 shareholders owned common stock and the new cumulative convertible preferred stock.

The record results reported here are due in great part to the efforts of the Company's 3,771 employees, its directors and shareholders. With this kind of support and the assets and skills at our command, we are working toward continued progress in 1967.

Wm Wishnick
WILLIAM WISHNICK
Chairman of the Board

Max A. Minnig
MAX A. MINNIG
President and Chief
Executive Officer

March 24, 1967

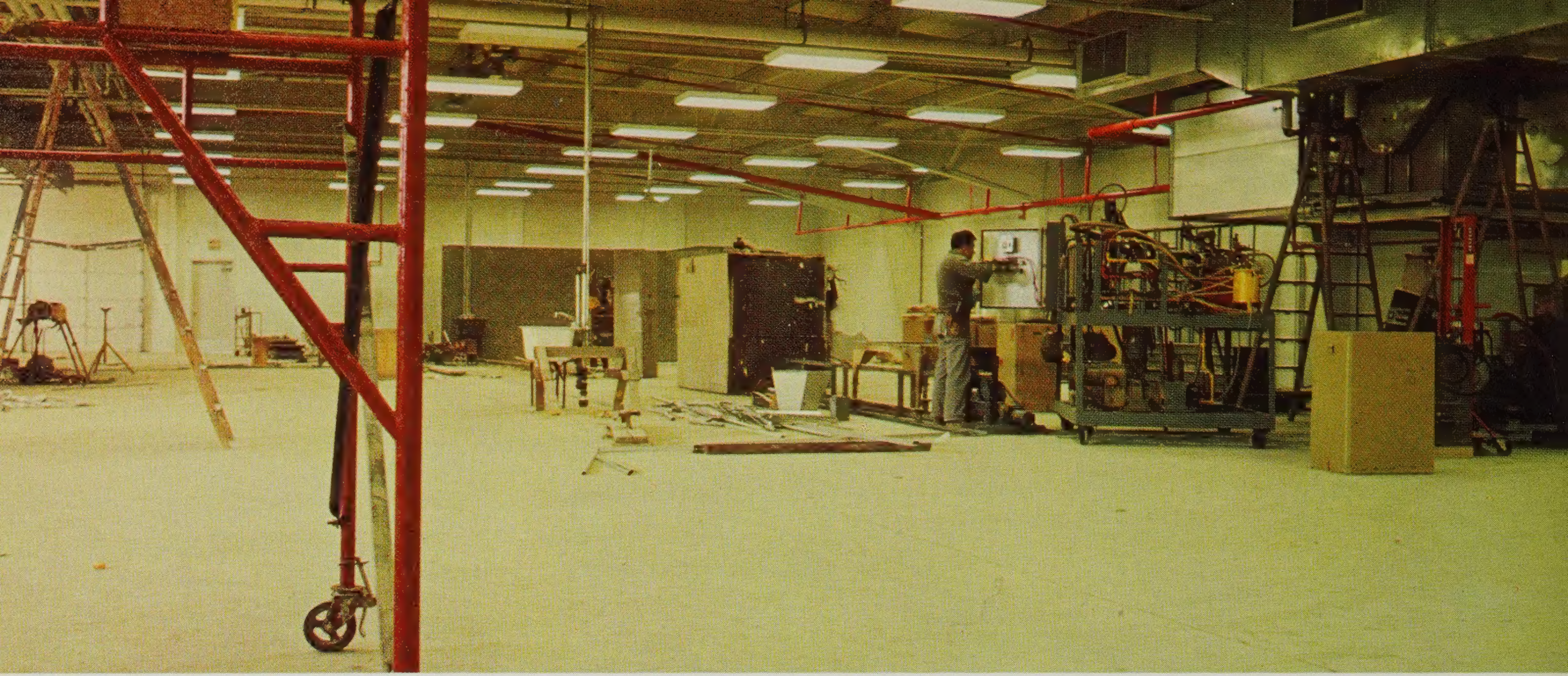
How do you convert petroleum fractions into high octane automotive gasoline with the anti-knock qualities demanded by today's high performance engines? Kendall does it with this Platformer, located at its refinery in Bradford, Pennsylvania, using platinum as a catalyst. Kendall was one of the first refiners in the world to install this new process, now universally accepted.

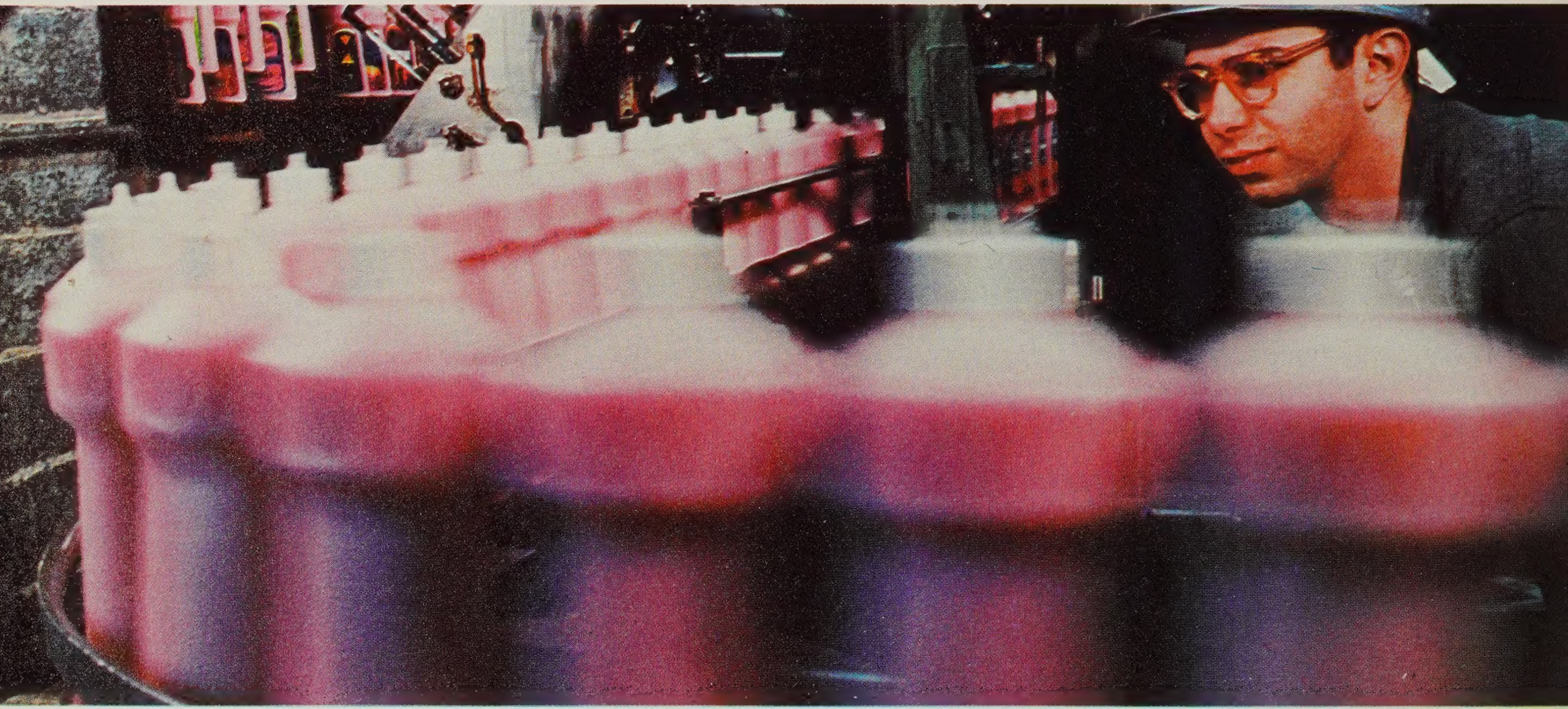
IN MEMORIAM

It is with sadness and a deep sense of personal loss that we record here the deaths of two directors who played major roles in guiding the affairs of Witco Chemical.

On October 10, 1966, the Company lost Edwin F. Battson, a director since 1963, and a man whose counsel and guidance were important to the Company's successes.

Harold B. Seligman died on November 6. His 35-year tenure as an employee, officer and director spanned the Company's formative years, as well as the recent period of most rapid growth. His sound judgment, diligence and complete devotion to Witco helped make this transition possible.





REVIEW OF OPERATIONS

Acquisitions

The acquisitions of Argus, Kendall and Witfield ensured that 1966 would be the most important year for acquisitions in Witco's forty-seven year history.

These companies have demonstrated excellent technological, manufacturing and marketing competence, provide Witco with a strong patent position in specialty applications, expand the Company's product lines, and provide the impetus for broader participation in markets having good growth rates where Witco has looked to expand.

Argus manufactures stabilizers and plasticizers, chemicals used in the compounding of polymers such as polyvinyl chloride (PVC), polyolefins and acrylonitrile butadiene styrene resins. In the compounding of polymers, stabilizers enable the compound to maintain heat stability during processing and light stability during service life of the end product without stiffening or discoloration. Plasticizers impart flexibility to finished plastics. Argus has developed its strong position as a specialty chemicals supplier through dedication to intensive research efforts with more than 150 patents resulting.

These capabilities provide Witco with a broader product development and technical service base directed to the fast growing plastics area, an industry that Witco has long served with other chemical products.

Kendall is one of the leading refiners and marketers of high quality Pennsylvania-grade petroleum products consisting principally of specialty lubricating oils and petroleum specialties. The Kendall name is well known to consumers from coast to coast and the marketing patterns complement those of Witco's Amalie brand of specialty lubricants.

The Kendall refinery is located at Bradford, Pennsylvania, with crude oil production operations concentrated in the same area. In 1966, Kendall acquired 200 acres of proven oil-producing properties in the Bradford Field which will increase the supply of crude oil resources for refinery operations. Development of these holdings will include the drilling of new wells and secondary recovery water flooding operations.

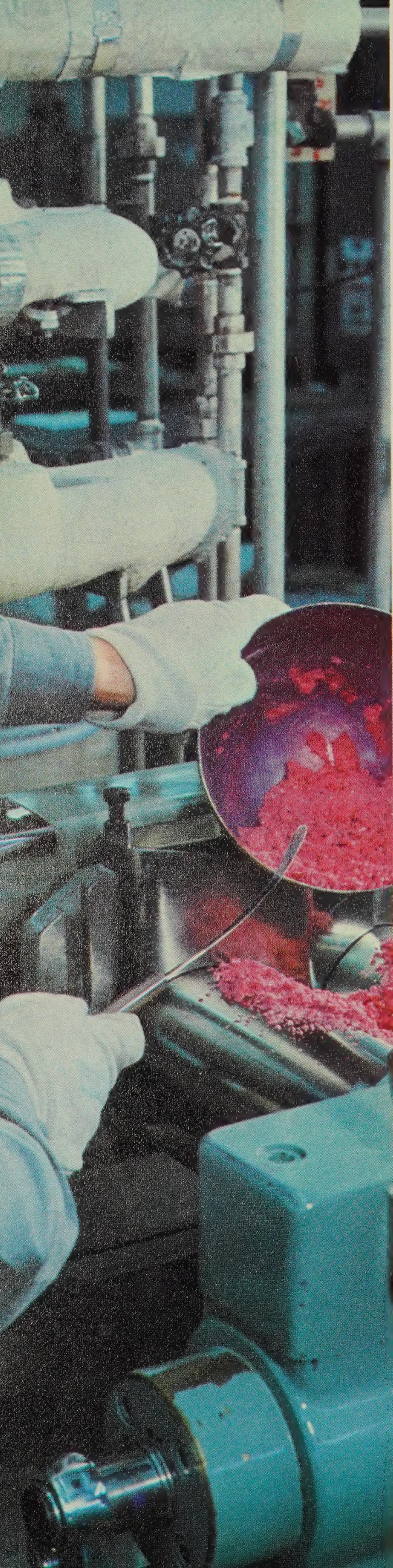
Kendall has built its strong consumer franchise through painstaking efforts to manufacture the highest quality motor oils and lubricants, as well as through aggressive advertising and marketing. The division's research and development effort has maintained Kendall at the forefront of premium quality lubricant producers. Growth rates for Kendall specialty oils are estimated to be above the industry average.

Witco's third acquisition of the year occurred when the Company purchased for cash the remaining half-interest in

TOP: By mid-year, Witco's new plastics application laboratory will be utilized for the testing and development of new urethane chemicals.

MIDDLE: High-speed liquid and dry detergent packaging facilities enable the Ultra Division to provide its private label detergent customers with fast and efficient service.

BOTTOM: Witfield Chemical Corporation can produce enough raw material for manufacturing biodegradable detergents to furnish five one-pound boxes of detergent per year to every household in the United States!



Witfield Chemical Corporation of Watson, California, a company it helped to organize in 1960. Witfield, operating as a wholly-owned subsidiary, is a producer of detergent alkylates with a production capacity of 40 million pounds per year of biodegradable detergent raw materials.

Expansion of Domestic Facilities

In 1966, Witco continued its expansion of production facilities, in keeping with its policy to provide customers with the kind of service that is traditional to the Company.

The new continuous process metallic stearates plant in Chicago was put into operation in 1966. Additional facilities for producing polyester resins for urethanes were completed during November at Perth Amboy, New Jersey, and the first stage of expansion for increasing production of white oils and petroleum sulfonates was brought on stream at the Gretna, Louisiana plant. A second-stage expansion of these same facilities at Gretna will be completed this year.

For 1967, Witco is anticipating higher capital expenditures than last year. On the planning board, approval has been given for additional detergent production units in Chicago, Illinois and Paterson, New Jersey. The Chicago facility will take on additional spray drying auxiliaries and packaging equipment. At Paterson, a new specialty chemical plant will be added along with additional spray drying equipment and high-speed packaging units.

At Taft, Louisiana, the Company's corporate engineering department is building a new plant for Argus that is designed to manufacture 25 million pounds per year of epoxy plasticizers. The Taft facility, expected to be completed during 1967, is strategically located to raw materials supply.

International

Operations abroad have moved forward vigorously. New European headquarters have been opened in Brussels, Belgium to enable Witco to better serve its growing markets. Manufacturing facilities have been expanded in France with the completion of a polyester resins plant. In Belgium, a new stearates plant is also under construction.

With the Argus acquisition, Witco gained interests in affiliated manufacturing operations in Belgium, Brazil, Canada, Italy, Japan, Mexico and Spain. Growth in these overseas markets serviced by Argus-developed products has been rapid. Demand for Argus products overseas is equally as strong as in the United States.

Kendall's motor oils and lubricants are also packaged and marketed in Canada through a wholly-owned subsidiary with plant facilities located at Toronto, Ontario.

Witco has previously reported on its 13.5% equity interest in PASA (Petroquimica Argentina, S.A.). PASA, at a cost of

"If the color stays light . . . the stability is right." Start by compounding stabilizer into plastics mix and run through heated rollers. Remove plastic film formed and cut into sample strips. Check for color degradation and heat stability. That's how Argus checks the heat stability of its world-renowned stabilizers.

KENDALL
KENDALL

approximately $95 million, constructed a petrochemical complex at San Lorenzo, Argentina to manufacture benzene, styrene, toluene, butadiene, alkylate, gasoline, synthetic rubber and other hydrocarbon products. Full-scale manufacturing operations commenced in 1966. PASA incurred substantial operating losses during 1966. Witco has charged against operations $650,000 and has set up a reserve of this amount against its investment. (See Note F to financial statements.)

Research and Development

Witco's research plans took a significant step forward during the last quarter of 1966 when the new corporate technical center went into operation. Located on ten acres of an industrial park in Oakland, New Jersey, the new facility contains an expanded research group, distinct from divisional research staffs. Witco feels confident that the research staff will continue to make valuable contributions to the development of new products.

In Chicago, the new plastics applications laboratory adjacent to Witco's Clearing Plant is expected to be completed by mid-year. This facility will perform technical service and continue the search for new products and new applications for Witco's polyesters, polyethers, prepolymers, catalysts, coupling agents and related urethane products. It will contain all equipment necessary for conducting research and testing of flexible, rigid and semi-rigid foam and urethane elastomeric products. These new facilities represent the increasing commitment Witco is making to develop new products through research.

New Products

The most rapid sales growth in Witco's diverse product lines in 1966 continued to be in surfactants, in petroleum-derived chemicals and in products supplied to the plastics industry, particularly for PVC and urethane applications. These high-growth product areas are where the Company, in recent years, has placed more research dollars and an increasing percentage of its developmental effort. Consequently, these endeavors have resulted in a higher percentage of new Witco products. Examples are: (1) Specialty surfactants used as conditioners in hair rinses, emulsifiers for cosmetics and emollients that soften, lubricate and provide the skin with luxurious coatings; (2) Petroleum-derived chemicals such as neutral and high alkalinity petroleum sulfonates used as dispersants and corrosion inhibitors; viscosity builders used as low temperature thickeners for specialty lubricating oils; and (3) New prepolymers for urethane elastomers that result in products displaying a wide range of hardnesses, with high abrasion and impact resistance.

TOP: These agricultural emulsifiers are being "optimized" by the laboratory technician, seeking to obtain their peak performance. When incorporated into pesticide products agricultural emulsifiers aid in the control, suppression or destruction of diseases and pests that attack food crops.

MIDDLE: Kendall gasolines are marketed in western New York and northwestern Pennsylvania, while its lubricants are sold throughout the United States and 19 foreign countries.

BOTTOM: At Witco, research chemists concentrate on commercializing projects that will expand the Company's product mix in future years.

KENDALL
KENDALL
GT-1
RACING OIL
KENDALL
KENDALL
MOTOR OIL
KENDALL
KENDALL
LUBRICANT
KENDALL
KENDALL
DUAL ACTION
MOTOR OIL

AMALIE
PRO
Pennsylvania
RACING OIL
QUART
.946 LITERS
AMALIE
MOTOR OIL
THE oilier OIL
AMALIE
1-2-3
SUPER MOTOR OIL
THE oilier OIL
AMALIE
AUTOMATIC
TRANSMISSION FLUID
Approved By Car Manufacturers

These are used in gears, bearings, pulleys, and similar parts. New products referred to above are:

ULTRA BLENDS

These blends are the first such surfactants to be offered to the detergent industry. They comprise a series of new concentrated liquid surfactants that permit the user to blend them in various ratios and perform a range of different cleaning jobs.

AMALIE TRANSMISSION FLUID

Amalie automatic transmission fluid was introduced for use with transmissions having high gear ratios. This fluid contains additional extreme-pressure additives and oxidation inhibitors to permit optimum performance.

KENDALL HYKEN

This all-weather hydraulic fluid is particularly recommended for public utility mobile hydraulic equipment. Hyken is formulated with a viscosity improver developed by Kendall and contributes unusual low temperature capability.

KENDALL MULTI-DUTY 2- AND 4-CYCLE ENGINE OIL

This oil is designed specifically for small bore 2- and 4-cycle gasoline engines used on outboard motors, motorcycles, motor bikes, motor scooters and garden tractors. Its use results in minimal spark plug deposits and fouling and freedom from engine deposits and piston ring sticking.

ACTIVATED CARBON

Several new grades of activated carbon were developed and introduced commercially during 1966. These grades are specifically aimed for both water and air purifying applications. Numerous application requirements for activated carbon in air and water purification systems will continue to spur the commercialization of additional activated carbon grades.

ARGUS MARK® STABILIZERS

A high efficiency organo tin stabilizer for use in PVC bottles, a barium cadmium type for vinyl electrical insulation, and, a stabilizer for the manufacture of plastic film for food wrapping were all introduced during 1966.

TEXTILE CHEMICALS

A high active biodegradable textile detergent was developed for use on both natural and synthetic fibers. It efficiently removes oils, greases and other objectionable foreign matter from yarn and piece goods. Another textile chemical development is a non-yellowing anti-static coning oil used to lubricate synthetic fibers. This product is aimed at the knitting industry.

LEFT AND RIGHT: Witco's well-known Kendall and Amalie motor oils are both based on Pennsylvania grade crudes, but each one utilizes a different manufacturing process and is formulated with different additives. Result: Two highly specialized product lines that service every auto engine requirement from racing cars, sports cars, autos subjected to stop-and-go driving or super highway cruising speeds, 2- or 4-cycle engines, all the way to marine engine applications.

CENTER: At Witco's new corporate technical center, a chemist measures the surface area of activated carbon. This test helps to evaluate the porous structure of the activated carbon.

FINANCIAL REVIEW

ACQUISITIONS—The Company during 1966 acquired other companies utilizing stock and cash. A new $2.65 Cumulative Convertible Preferred Stock was authorized and issued for one of the acquisitions. The acquisitions were accounted for as poolings of interests to the extent of the stock issued and as a purchase to the extent of the cash payment. All 1965 and prior data in the Annual Report have been adjusted to reflect the poolings-of-interests portion of these acquisitions.

NET SALES for the year 1966 increased to $195,897,800 from $175,567,000 in 1965.

NET INCOME totaled $9,277,100 as compared to $8,184,000 in 1965. Net income per common share, after pro forma dividend requirements on preferred stock, was $2.82 in 1966 and $2.45 in 1965.

DIVIDENDS DECLARED during the year totaled $4,280,700 as compared to $3,331,200 in 1965, including dividends of a company acquired during 1966 on a pooling-of-interests basis. Dividends declared per common share in 1966 were $1.15 as compared to $1.00 in 1965. Dividends declared on the new preferred stock totaled $2.06 per share for the year.

DIVIDENDS PAID in cash on the preferred stock totaled $1.40 per share and on the common stock totaled $1.10 in 1966 as compared to $1.00 per share in 1965.

WORKING CAPITAL at December 31, 1966 amounted to $30,900,900 as compared to $39,511,900 at the end of 1965, a decrease of $8,611,000. The ratio of current assets to current liabilities was 1.95 to 1 at December 31, 1966. Current liabilities include $5,000,000 of presently existing short-term bank debt, representing the balance of original borrowings of $10,000,000 made in February 1966. A summary of source and application of funds is shown on page 16.

CAPITAL EXPENDITURES amounted to $16,371,100 in 1966, including $6,886,700 applicable to companies purchased during the year. Expenditures for new facilities in 1966 totaled $9,484,400 as compared to $8,087,000 in 1965.

ASSOCIATED AND OTHER COMPANIES—The Company acquired interests in several foreign companies during 1966 in

TOP: Newer and higher standards of pollution abatement have created a growing market for equipment and materials needed to clean our air and water, and prevent further pollution. Witco's activated carbon, manufactured at this plant in Petrolia, Pennsylvania, is currently serving this market as an aid in air and water purification for industrial and consumer applications.

BOTTOM: Golden Bear's refinery at night provides a dramatic view. On-site quality control and research laboratories support the refinery in the manufacture of petroleum and petrochemical specialties, processing and spray oils, and asphalts.

connection with the acquisitions referred to above. The Company also has other investments including Petroquimica Argentina, S.A. (see Note F to financial statements) and Continental Carbon Company. The Company's interest in the net assets of associated and other companies approximates the carrying value of these investments. The Company's net income includes dividends received from the associated and other companies and deductions for provisions for losses, but does not include any undistributed share of profits of such companies.

GENERAL—The number of shareholders in the Company increased to 5,990 at December 31, 1966 from 3,863 at the close of business in the prior year.

SOURCE AND APPLICATION OF FUNDS

SOURCE OF FUNDS

Net income	$ 9,277,100
Depreciation, depletion and amortization	5,988,400
Decrease in working capital	8,611,000
Reduction of investments in associated and other companies	3,144,500
Other—net	708,200
	$27,729,200

APPLICATION OF FUNDS

Expenditures for property, plant and equipment (including $6,886,700 applicable to companies purchased during the year)	$16,371,100
Other non-current assets, less applicable long-term debt and deferred credits, of companies purchased during the year	4,785,200
Dividends to shareholders	4,280,700
Purchase of treasury stock	1,589,400
Payments on long-term debt	702,800
	$27,729,200

COMPARATIVE CONSOLIDATED STATEMENT OF INCOME

For The Years Ended December 31, 1966 and 1965

	1966	1965
NET SALES AND OTHER INCOME:		
Net sales	$195,897,800	$175,567,000
Interest and dividends	918,100	1,013,800
Miscellaneous income (expense)—net	(167,800)	550,200
	196,648,100	177,131,000
COSTS AND EXPENSES:		
Cost of goods sold	151,773,600	137,665,000
Selling and administrative expenses	19,664,000	18,203,500
Depreciation, depletion and amortization	5,988,400	4,939,000
Interest	1,523,400	1,084,500
	178,949,400	161,892,000
NET INCOME BEFORE FEDERAL AND FOREIGN INCOME TAXES	17,698,700	15,239,000
FEDERAL AND FOREIGN INCOME TAXES	8,421,600	7,055,000
NET INCOME—NOTE A	$ 9,277,100	$ 8,184,000
NET INCOME PER SHARE APPLICABLE TO COMMON STOCK—NOTE G	$2.82	$2.45

COMPARATIVE CONSOLIDATED STATEMENT OF RETAINED EARNINGS

For The Years Ended December 31, 1966 and 1965

	1966	1965
Balance at beginning of year (including, in 1965, $10,955,600 pertaining to companies acquired in 1966 on the basis of poolings of interests—Note A)	$ 51,380,800	$ 46,528,000
Net income	9,277,100	8,184,000
	60,657,900	54,712,000
Dividends declared:		
$2.65 Cumulative Convertible Preferred Stock	704,700	—
Common Stock (including $170,000 and $711,600 paid by a pooled company prior to date of acquisition)	3,576,000	3,331,200
Adjustments applicable to years prior to 1965	267,200	—
	4,547,900	3,331,200
Balance at end of year—Notes A and C	$ 56,110,000	$ 51,380,800

The accompanying notes are an integral part of these statements.

COMPARATIVE CONSOLIDATED BALANCE SHEETS

at December 31, 1966 and 1965

ASSETS

	1966	1965
CURRENT ASSETS:		
Cash	**$ 5,243,600**	$ 4,924,300
Time deposits	**92,200**	3,286,000
Municipal and other marketable securities—at amortized cost which approximates market	**9,046,300**	12,189,800
Accounts and notes receivable, less reserve of $479,000 and $458,000	**23,153,400**	20,739,300
Inventories—Note B	**24,448,400**	21,858,000
Prepaid expenses	**1,317,600**	910,300
TOTAL CURRENT ASSETS	**63,301,500**	63,907,700
INVESTMENTS IN ASSOCIATED AND OTHER COMPANIES—at cost, less reserve of $1,199,000 and $236,000 — Note F	**8,648,600**	10,001,900
PROPERTY, PLANT AND EQUIPMENT—at cost:		
Land	**3,948,000**	3,136,200
Plant, equipment and other property	**101,378,000**	86,703,000
	105,326,000	89,839,200
Less: Reserves for depreciation, depletion and amortization	**54,445,100**	48,204,700
	50,880,900	41,634,500
PATENTS AND LICENSE AGREEMENTS, at amortized cost	**2,302,900**	—
EXCESS OF PURCHASE PRICE OVER COST OF ASSETS ACQUIRED OR UNDERLYING BOOK EQUITY AT DATES OF ACQUISITION—Note A	**5,442,500**	1,425,300
DEFERRED COSTS AND OTHER ASSETS	**2,255,200**	1,494,800
	$132,831,600	$118,464,200

The accompanying notes are an integral part of this statement.

LIABILITIES

	1966	1965
CURRENT LIABILITIES:		
Notes and loans payable, including current portion of long-term debt of $890,100 and $932,200	$ 7,090,600	$ 2,173,100
Accounts payable and other liabilities	19,001,200	16,743,900
Dividends payable	1,117,400	891,900
Reserve for Federal and foreign income taxes	5,191,400	4,586,900
TOTAL CURRENT LIABILITIES	32,400,600	24,395,800
OTHER LIABILITIES:		
Obligations under compensation agreements	301,800	235,600
Long-term debt—Note C:		
4.65% Notes Payable due 1984	13,000,000	13,000,000
5% Sinking Fund Debentures due 1980	5,000,000	5,375,000
Other	2,317,800	938,800
	20,619,600	19,549,400
TOTAL LIABILITIES	53,020,200	43,945,200
DEFERRED CREDITS	5,716,000	3,628,100
SHAREHOLDERS' EQUITY—Notes A, C, D and E:		
$2.65 Cumulative Convertible Preferred Stock, par value $1 (minimum liquidating preference $22,353,900 on outstanding shares):		
Authorized—395,355 shares		
Issued at December 31, 1966—365,355 shares	365,400	395,400
Common Stock, par value $5:		
Authorized—10,000,000 shares		
Issued at December 31, 1966—2,978,455 shares	14,892,200	14,637,400
Capital Surplus	4,368,700	4,735,400
Retained Earnings	56,110,000	51,380,800
	75,736,300	71,149,000
Less: Treasury Stock at December 31, 1966—at cost: Preferred Stock, 26,660 shares; Common Stock, 1,755 shares	1,640,900	258,100
	74,095,400	70,890,900
CONTINGENCY—Note F		
	$132,831,600	$118,464,200

NOTES TO FINANCIAL STATEMENTS
At December 31, 1966

The financial statements for 1965, revised to include the accounts of companies acquired in 1966 on the basis of poolings of interests and the Company's net equity in operations of a 50% owned company which became wholly-owned in 1966, are shown for comparative purposes only. Reference should be made to the previously issued Annual Report for the Accountants' Report and notes pertaining to such financial statements before the inclusion of such accounts; these accounts were examined for various fiscal periods ended in 1965 and 1966 by other accountants and were restated, where material, on a calendar year basis.

NOTE A—On February 10, 1966, the Company acquired substantially all of the business and assets and assumed substantially all of the liabilities of Argus Chemical Corporation in exchange for 300,000 shares of the Company's Common Stock and a cash payment of $12,041,900. This acquisition was accounted for as a pooling of interests to the extent of the Common Stock issued and as a purchase to the extent of the cash payment.

The assets acquired have been recorded at the carrying amounts of the predecessor company to the extent of the pooling, and at appraised amounts to the extent of the purchase. The appraised amounts are based on an independent appraisal made by the American Appraisal Company and include $3,998,100 allocated to "Excess of purchase price over cost of assets acquired."

On March 21, 1966, the Company issued 395,355 shares of $2.65 Cumulative Convertible Preferred Stock in exchange for all of the capital stock of Kendall Refining Company under the terms of a Joint Plan and Agreement of Merger. This acquisition has been accounted for as a pooling of interests.

On July 25, 1966, the Company purchased the remaining 50% interest in Witfield Chemical Corporation (formerly a 50% owned company).

The financial statements include the accounts of Kendall for the entire year, Argus from February 10, 1966, and the Company's share of the net equity in operations of Witfield from the beginning of the year to date of full ownership and thereafter the accounts of the latter company.

NOTE B—Inventories in the amount of $7,731,300 are stated at cost on the last-in, first-out basis, which is not in excess of market. The balance of the inventories is stated at the lower of cost or market (cost substantially on the first-in, first-out basis) and is classified as follows:

Raw materials and supplies	$ 6,052,200
Finished goods (including work in process, which is not material)	10,664,900
	$16,717,100

NOTE C—The 4.65% notes are payable in annual installments of $650,000 from 1968 through 1983, with final payment of $2,600,000 in 1984. The indenture under which the 5% sinking fund debentures were issued provides for annual sinking fund payments of $375,000 through 1979, with final payment of $500,000 in 1980.

The purchase agreement relating to the 4.65% notes and the indenture relating to the 5% sinking fund debentures provide, among other matters, for restrictions on the payment of dividends (other than stock dividends) or acquisition of the Company's stock. Consolidated Retained Earnings in the approximate amount of $43,000,000 are not so restricted at December 31, 1966.

NOTE D—On April 27, 1966, the number of authorized shares of Common Stock was increased from 4,000,000 shares to 10,000,000 shares.

As part of the Joint Plan and Agreement of Merger referred to in Note A the Company authorized the issuance of 395,355 shares of $2.65 Cumulative Convertible Preferred Stock, par value $1. Each share of the Preferred Stock is entitled to one vote, is not subject to redemption prior to July 10, 1971, has a minimum redemption price of $66, a minimum liquidating preference of $66 and is convertible into 1.66 shares of the Company's Common Stock. During the year 30,000 shares of Preferred Stock were converted into 49,800 shares of Common Stock. At December 31, 1966, 606,489 shares of Common Stock are reserved for conversion purposes.

At December 31, 1966, 150,721 shares of the unissued Common Stock of the Company are reserved for issuance under the terms of stock option plans and a stock option agreement. During 1966 options for 25,000 shares were granted at $26.13 and $27.25 per share; options for 8,223 shares were exercised at prices ranging from $7.91 to $32.00 per share; and options for 700 shares were cancelled. At December 31, 1966, options for 97,521 shares are outstanding at prices ranging from $7.91 to $32.00 per share.

NOTE E—The changes in Capital Surplus during the year are shown in the following tabulation:

Balance at December 31, 1965 (including $4,592,600 pertaining to companies acquired in 1966 on the basis of poolings of interests—Note A)	$4,735,400
Excess of amounts received over par value of 1,178 shares of Common Stock issued on exercises of stock options	15,800
	4,751,200
Deduct:	
Excess of par value of 49,800 shares of Common Stock over par value of 30,000 shares of Preferred Stock converted	219,000
Costs in connection with acquisition of a company on the basis of a pooling of interests	56,200
Excess of cost of 7,045 shares of Common Treasury Stock issued over amounts received on exercises of stock options	107,300
	382,500
Balance at December 31, 1966	$4,368,700

NOTE F—The Company has a minority interest in an Argentine company and has invested $4,124,600 in securities and notes. The Argentine company has made borrowings subject to guarantees by the Company and certain of its sponsors. The Company's contingent liability for such guarantees approximates $5,200,000.

The Argentine company incurred substantial operating losses during 1966. A provision for loss of $650,000, based on the Company's share of the losses (unaudited) through December 31, 1966, has been included in "Miscellaneous income (expense)—net."

Although the Company is unable to predict the effect of conditions in Argentina on the ability of the Argentine company to operate profitably and has no assurance that additional losses will not be incurred, it is of the opinion that eventually this project will become economically feasible.

NOTE G—Per share earnings are based on the average number of shares of Common Stock outstanding during each year (including, in each year, shares issued for a company acquired in 1966 on the basis of a pooling of interests), after recognition of the pro forma dividend requirements of the Preferred Stock (issued in 1966 for a company acquired on the basis of a pooling of interests) of $937,500 in 1966 and $1,047,700 in 1965.

S. D. LEIDESDORF & CO.
Certified Public Accountants
New York, N. Y.

ACCOUNTANTS' REPORT

To the Board of Directors
Witco Chemical Company, Inc.
New York, N. Y.

We have examined the consolidated balance sheet of Witco Chemical Company, Inc., and subsidiary companies as at December 31, 1966, and the related consolidated statements of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, subject to the effect, if any, of the matter discussed in Note F, the accompanying consolidated balance sheet and consolidated statements of income and retained earnings, together with the notes to financial statements, present fairly the consolidated financial position of Witco Chemical Company, Inc., and subsidiary companies at December 31, 1966, and the consolidated results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. It is also our opinion that the summary of source and application of funds shown on page 16 presents fairly the information shown therein.

S. D. LEIDESDORF & CO.

New York, N. Y.
February 21, 1967

WITCO CHEMICAL COMPANY, INC. AND SUBSIDIARY COMPANIES

COMPARATIVE OPERATING AND FINANCIAL DATA Years Ended December 31,

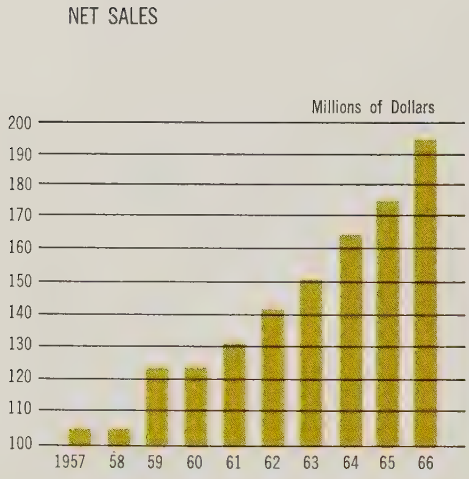
(All Amounts in Thousands of Dollars, Except Data in Shareholders Section)

	1966	1965	1964
OPERATING			
Net sales	**$195,898**	$175,567	$165,990
Other income—net	**750**	1,564	1,090
Total net sales and other income	**196,648**	177,131	167,080
Income before Federal and foreign taxes, depreciation, depletion and amortization	**23,687**	20,178	19,248
Depreciation, depletion and amortization	**5,988**	4,939	4,628
Federal and foreign taxes on income	**8,422**	7,055	7,166
Net income	**9,277**	8,184	7,454
As per cent of net sales	**4.7%**	4.7%	4.5%
Dividends declared (a)	**4,281**	3,331	2,853
As per cent of net income	**46.1%**	40.7%	38.3%
FINANCIAL			
Cash, securities and receivables	**37,536**	41,139	39,898
Inventories	**24,448**	21,858	19,086
Total current assets	**63,302**	63,908	60,052
Total current liabilities	**32,401**	24,396	22,787
Working capital	**30,901**	39,512	37,265
Ratio of current assets to current liabilities	**1.95 to 1**	2.62 to 1	2.64 to 1
Property, plant and equipment expenditures	**16,371**	8,087	7,509
Property, plant and equipment—at cost	**105,326**	89,839	83,505
Reserves for depreciation, depletion and amortization	**54,445**	48,205	44,758
Property, plant and equipment—net	**50,881**	41,634	38,747
Long-term debt	**20,318**	19,314	16,029
Total shareholders' equity	**74,095**	70,891	65,991
SHAREHOLDERS			
Shares outstanding—at year end—Common	**2,976,700**	2,918,677	2,915,793
Shares outstanding—at year end—Preferred (b)	**338,695**	395,355	395,355
Number of shareholders—at year end	**5,990**	3,863	3,449
Net income per common share after preferred dividend requirements (c)	**$2.82**	$2.45	$2.20
Dividends declared per share—Common	**$1.15**	$1.00	$ .85
Dividends declared per share—Preferred (b)	**$2.06**	—	—

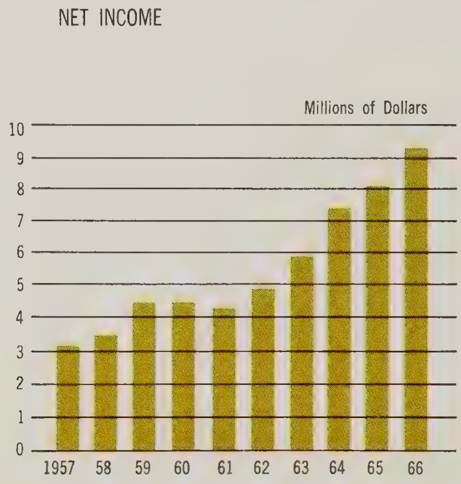
The historical data for prior years have been adjusted for companies acquired in 1966 on the basis of poolings of interests and the Company's net equity in a 50% owned company which became wholly-owned in 1966.

(a) Includes dividends declared by pooled companies prior to acquisition.

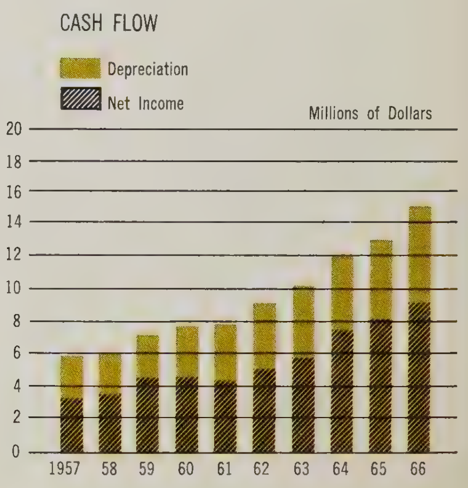
NET SALES



NET INCOME



CASH FLOW

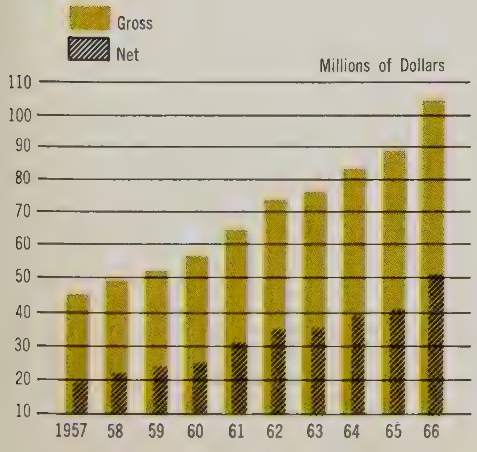


1963	1962	1961	1960	1959	1958	1957
$151,752	$142,820	$131,575	$124,646	$124,523	$105,911	$105,688
970	636	529	880	481	685	554
152,722	143,456	132,104	125,526	125,004	106,596	106,242
16,283	14,206	11,993	12,098	11,691	9,268	9,265
4,448	4,286	3,617	3,237	2,791	2,521	2,700
5,908	4,965	4,011	4,266	4,366	3,255	3,298
5,927	4,955	4,365	4,595	4,534	3,492	3,267
3.9%	3.5%	3.3%	3.7%	3.6%	3.3%	3.1%
2,254	2,093	1,859	1,783	908	1,096	1,223
38.0%	42.2%	42.6%	38.8%	20.0%	31.4%	37.4%
28,709	25,119	26,539	27,786	25,534	23,109	17,527
18,668	19,165	16,623	15,323	13,665	13,081	13,501
48,102	45,242	44,167	43,993	39,953	36,941	32,772
19,227	20,390	19,892	14,383	17,444	12,560	10,720
28,875	24,852	24,275	29,610	22,509	24,381	22,052
2.50 to 1	2.22 to 1	2.22 to 1	3.06 to 1	2.29 to 1	2.94 to 1	3.06 to 1
5,412	8,444	9,529	5,485	2,979	5,781	3,665
77,925	73,328	65,204	57,511	52,914	49,829	45,145
41,835	38,116	34,266	32,214	29,795	27,363	25,656
36,090	35,212	30,938	25,297	23,119	22,466	19,489
7,787	9,157	9,128	8,596	715	3,830	5,199
60,745	56,982	52,124	50,083	47,336	44,551	39,218
2,902,698	2,895,146	2,599,371	2,586,699	2,580,090	2,567,526	2,229,407
395,355	395,355	395,355	395,355	395,355	395,355	395,355
3,014	2,771	2,494	2,422	2,298	2,217	—
$1.68	$1.35	$1.28	$1.37	$1.35	$1.03	$1.00
$ .67	$ .63	$ .53	$ .51	$ .44	$ .31	$ .30
—	—	—	—	—	—	—

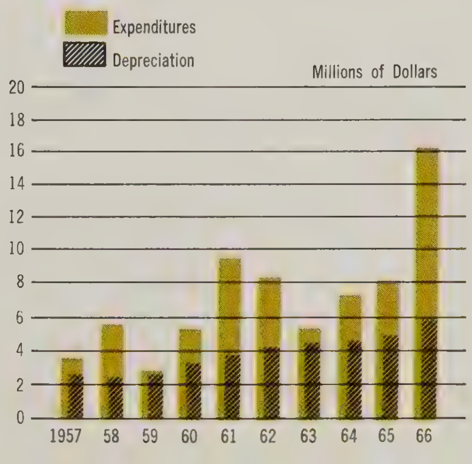
b) $2.65 Cumulative Convertible Preferred Stock issued March 21, 1966 for a company acquired on a pooling-of-interests basis.

c) Based on the average number of shares outstanding during the year, after recognition of the pro forma dividend requirements of the Preferred Stock.

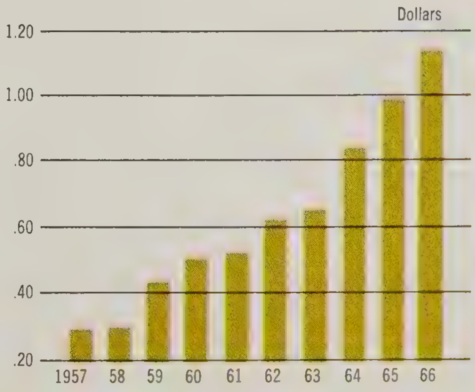
INVESTMENT IN PROPERTY, PLANT & EQUIPMENT



CAPITAL EXPENDITURES & DEPRECIATION



DIVIDENDS DECLARED PER COMMON SHARE



GLOSSARY OF FINANCIAL TERMS

1. **NET SALES** represents the dollar volume of products sold by Witco during the year after adjustment for discounts, returns, allowances and the cost of shipping the product to the customer.

$196,000,000
Highest ever!

2. **NET INCOME BEFORE FEDERAL AND FOREIGN INCOME TAXES** represents the difference between net sales and other income, and the expenses of doing business. The latter item includes costs of raw materials, labor, manufacturing expenses, selling and administrative expenses. Depreciation, depletion, interest paid or due on indebtedness, Federal excise, state, municipal and other taxes are also expenses of doing business.

Record $17.7
million this year

3. **FEDERAL AND FOREIGN INCOME TAXES** are the taxes on income payable to both our Federal government and to foreign governments.

Witco's cost -
$8.4 million
this year

4. **NET INCOME PER SHARE APPLICABLE TO COMMON STOCK** is net income, after provision for preferred dividend requirements, divided by the average number of common shares outstanding during the year. It is a customary method of judging the trend of earnings in relation to the constantly changing outstanding shares of common stock ownership.

$2.82 -
a new high

5. **AVERAGE NUMBER OF COMMON SHARES OUTSTANDING** is the number of common shares in the hands of the public during the year, adjusted to give effect to any changes in the number of shares issued during the year. Since additional shares may be issued from time to time to acquire other businesses, for exercise of stock options, etc., calculations based on "average shares" often provide a more realistic measure, than do calculations on the number of shares outstanding at a particular point in time.

Shares
outstanding:
On 1/1 2,919,000
3/31 2,935,000
6/30 2,972,000
9/30 2,977,000
12/31 2,977,000
5⟌14,780,000
2,956,000
average

6. **DIVIDENDS DECLARED PER SHARE —COMMON** represents the amount of retained earnings which the Board of Directors approves for distribution to each owner of Witco common stock for each share he owns. It is the shareholder's income on his investment in the Company.

$1.15 per share -
Higher for 10th
consecutive yea

7. **DIVIDENDS DECLARED PER SHARE —PREFERRED** represents the cash dividend declaration in 1966 on the outstanding shares of $2.65 preferred stock. Since preferred dividends have first claim to dividends they must be declared and paid before any common stock dividends are voted.

New in 1966

8. **PROPERTY, PLANT AND EQUIPMENT EXPENDITURES** represents the amount spent in the year for new plants, research and development facilities, the equipment to operate them, and addition of new equipment and modernizations to present facilities.

1966
New Plant $9.5
Acquisitions 6.9
$16.4
millio

9. **DEPRECIATION, DEPLETION AND AMORTIZATION** are the non-cash costs that recognize diminishing value of our plants, equipment and other assets resulting from their use in making the products sold by the Company. The cash outlays for these items were made in the year that the original assets were acquired. The non-cash costs are recorded in order to match the costs of doing business with the income derived from the use of these assets.

$6.0 million

10. **NUMBER OF SHAREHOLDERS** is the total number of owners of Witco common and preferred shares regardless of size of holdings.

Approaching
6,000

$63.3 million

11. TOTAL CURRENT ASSETS are those assets which are normally convertible into cash within one year. They include cash, marketable securities, money owed to us by customers (accounts receivable), raw materials and finished goods inventories, and other prepaid items.

less 32.4 million

12. TOTAL CURRENT LIABILITIES are those liabilities which are normally due and payable within one year. They include moneys we owe suppliers (accounts payable), compensation due employees, payroll taxes and interest, dividends payable, Federal and state taxes, and any payments due within one year on borrowings.

equals $30.9 million

13. WORKING CAPITAL represents the excess of current assets over current liabilities. It is used as one measure to determine current financial stability.

$$\begin{array}{r} 1.95 \\ 32.4\overline{)63.3} \end{array}$$

Ratio = 1.95 to 1

14. RATIO OF CURRENT ASSETS TO CURRENT LIABILITIES (CURRENT RATIO) is a convenient way of expressing the relationship between current assets and current liabilities. It is determined by dividing total current assets by total current liabilities. The result represents the number of dollars of current assets available for payment of each dollar of current liability.

Cash to repay this must be generated from current net income.

15. LONG-TERM DEBT consists of all obligations such as notes and debentures and other types of liabilities which are due more than one year from the date of the balance sheet.

4.7¢ out of every $1.00 of sales.

16. PROFIT MARGIN expresses net income as a percentage of sales. It is one of the measurements of how well a company is doing.

17. FINANCIAL HIGHLIGHTS is a special presentation of important financial information, usually found near the beginning of a company's annual report to stockholders. The purpose is to provide at a glance comparative figures taken from the audited financial statements—balance sheet, income statement—along with expressions of some of these figures on a per share basis.

Significant figures page 2

18. SOURCE AND APPLICATION OF FUNDS statement describes briefly where the Company obtained funds, and what disposition was made of those funds, the difference representing the net change in working capital for the year.

19. CASH FLOW represents the amount of cash generated by the Company for the year. It is the sum of net income, and depreciation, depletion and amortization and other expenses which did not require an actual disbursement of funds during the year.

Over $15.0 million cash flow

20. BALANCE SHEET is a summary of a company's assets, liabilities and stockholders' equity at a particular day in the year. In dollar amounts, it shows what the company owned, what it owed, and the ownership interests of its shareholders.

Total Assets $132.8 million

Equity $74.1 million

21. INCOME STATEMENT is a summary of the results of operations for the year. It shows the major items of income, costs, expenses and Federal and foreign income taxes.

22. STATEMENT OF RETAINED EARNINGS is a summary of changes which have taken place during the year in one important component of "shareholders' equity"—Retained Earnings. The balance of retained earnings at the end of the year is a cumulative figure which presents the company's net earnings—less dividend payments and other adjustments—since the company's inception.

Page 17

Net income = $9.3 million

another record!

GLOSSARY OF PRODUCT TERMS

ACTIVATED CARBON, manufactured by Witco from petroleum, is a form of carbon having an enormously large external surface area and internal honeycomb-like structure. For example, one pound of activated carbon has the equivalent surface area of about 150 acres. Present grades of Witco activated carbon are best suited for adsorption of impurities found in the air we breathe, for cigarette smoke filtration and for making water potable.

BIODEGRADABLE DETERGENT RAW MATERIALS are synthetic starting materials used to manufacture "soft-type" (biodegradable) detergents. Because of their chemical structure, they can be broken down by certain types of bacteria present in sewerage treatment plants.

CARBON BLACK is one of the purest forms of carbon known to man. It is produced by controlled burning of petroleum feedstocks or natural gas. Because of its ability to reinforce rubber, carbon black applications in the rubber industry account for 95% of its entire use. Without carbon black, the average passenger car tire would last only 2,000 to 3,000 miles. The addition of carbon black to the tire increases its life approximately 10 times! Carbon black is also employed in the pigmentation of paints, inks, and carbon papers.

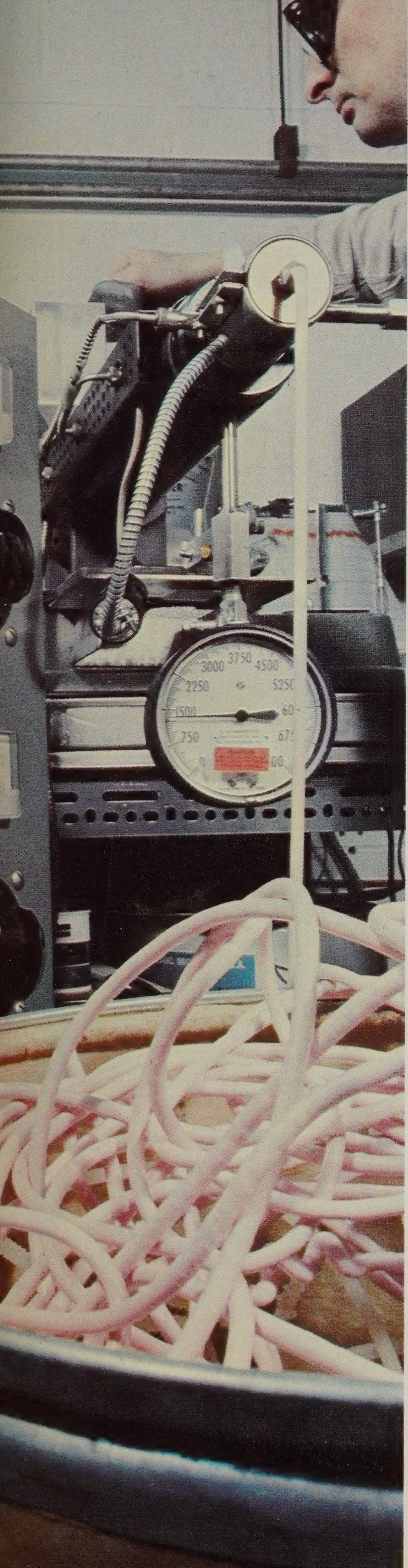
DETERGENTS are synthetic materials which have cleansing properties like those of soap. Unlike soap, detergents are made from petrochemical-derived raw materials . . . whereas soap is made from animal by-products such as tallow. Detergents have replaced soap in home laundry and dishwashing applications because they function well even in hard water and deliver better performance than soap.

HIGH ALKALINITY SULFONATES are petroleum-derived materials used as components of motor oil, where they serve to counteract the corrosive acids that form in auto engines.

METALLIC STEARATES are the products of the reactions of certain chemicals and organic acids. Stearates are used in plastics as lubricants and release agents; in paper coatings to prevent dusting and enhance appearance; and in paints as flatting and pigment suspending agents.

PENNSYLVANIA CRUDE OIL, the type used to make our Amalie and Kendall brands of oils and greases, has been found by geologists to be millions of years older than crudes derived from other fields. Consequently, certain chemical and physical changes have taken place in Pennsylvania crude which have not even begun in other crudes. This results in Pennsylvania crude having better lubricating qualities such as high resistance to the effects of temperature, friction and pressure,

A technician samples in-process reactions, collecting gas fractions, just one step in the development of more efficient catalyst systems that result in improved products for Witco.



which means longer life for vehicles using lubricants from this type of crude.

PETROLEUM SULFONATE is a co-product obtained from white oil manufacturing. It is used as a component of motor oil additives because it helps to prevent the collection of deposits on engine parts and serves as a rust preventive. It is also used as a component of dry cleaning soap because of its ability to retain water and prevent the re-deposition of soil on a garment.

PLASTICIZERS are materials that are added to plastics to give them flexibility. Vinyl upholstery and the "skin" of children's dolls are examples of plasticizer application. Utilized as an ingredient in polypropylene bread wrappers, plasticizers prevent the wrappers from cracking in low temperatures, allowing bread to be kept in freezers, while keeping moisture out.

POLYESTER RESINS are one of the basic starting materials used in producing urethane foams and elastomers; the other starting material is polyether resin. Both materials as well as an extensive line of other chemicals for urethanes are manufactured by Witco.

STABILIZERS are chemicals used in plastics to prevent discoloration and cracking from heat during processing, and decomposition from sunlight during actual use. Polyvinyl chloride plastics, a particular market served by Witco stabilizers, are used to manufacture floor tiling, shower curtains, containers and electrical insulation.

SURFACTANTS are materials which modify the physical characteristics between adjoined surfaces such as oil-water, air-water, or solid-liquid. In water-based paints, surfactants are used to maintain all the solid ingredients of the paint in a fine dispersion, thus eliminating coagulation and instability of the paint in the can. In cleaning applications, they reduce the forces holding soil to its surface, easing the cleaning task.

URETHANE FOAMS are plastics, sponge-like in appearance but, with extremely uniform cell structure that can be controlled to yield flexible, semi-rigid or fully rigid forms. Witco supplies polyether and polyester resins which are the essential raw materials for the manufacture of urethane foams. Among the many end uses of urethane foams are garment interliners, upholstery, automobile seats and safety padding.

WHITE OIL is a highly refined petroleum oil from which all impurities have been removed, and which in its final form is completely water white, tasteless and odorless. White oils are used as the base for many cosmetics such as creams and hair preparations; as lubricants for food processing equipment where purity is vital; as an ingredient in the plastics industry for facilitating forming, molding and extruding of various plastics end items; and in hundreds of other applications.

Testing stabilizer efficiency with the resins, plasticizers, processing aids and lubricants used in PVC assures optimum stability of PVC under heat, pressure and extrusion.

DIRECTORS

*WILLIAM WISHNICK, Chairman, Witco Chemical (1)
*MAX A. MINNIG, President and Chief Executive Officer, Witco Chemical (2)
*ROBERT I. WISHNICK, Chairman, Executive & Finance Committees—Witco Chemical (3)
*HARCOURT AMORY, Consultant, Smith, Barney & Co., Inc. (4)
LESTER R. BACHNER, Attorney At Law, Member, Bachner, Tally & Mantell (5)
JACOB M. FELDMAN, Senior Vice President, Witco Chemical (6)
J. BERTRAM FISHER, Vice President, Witco Chemical—General Manager, Kendall Division (7)
STANLEY M. FREEMAN, Chairman, Greentree Electronics Corp. (8)
STANLEY A. KAPLAN, Attorney At Law, Member, Gottlieb & Schwartz (9)
*WILLIAM E. LEISTNER, Vice President, Witco Chemical—General Manager, Argus Chemical Corp. (10)
*GUSTAVE L. LEVY, Partner, Goldman, Sachs & Co. (11)
ARTHUR W. RADFORD, Admiral, U.S. Navy (retired) (12)
*HENRY SONNEBORN, III, Group Vice President, Witco Chemical (13)
RUDOLF G. SONNEBORN (14)
JOHN H. WISHNICK, President, Crowell Designs, Inc. (15)
**Member of Executive Committee*

CORPORATE OFFICERS

WILLIAM WISHNICK
Chairman of the Board

MAX A. MINNIG
President and Chief Executive Officer

ROBERT I. WISHNICK
Chairman, Executive and Finance Committees

JACOB M. FELDMAN
Senior Vice President

WILLIAM J. ASHE
Financial Vice President and Treasurer

GEORGE RUBINOVITZ
Secretary

EARL L. HOGARD, JR.
Controller

HENRY SONNEBORN, III
Group Vice President

WILLIAM WESTON
Group Vice President

HARRY M. BRUBAKER
Vice President—Rubber Chemicals Division

RUDOLPH CUBICCIOTTI
Vice President—Sonneborn Division

ROBERT L. FELDMAN
Vice President—Golden Bear Division

J. BERTRAM FISHER
Vice President—General Manager—Kendall Division

CARLO GIRAUDI
Vice President—Research, Development and Engineering

JEROME S. HARRISON
Vice President and Director of Group Marketing

WILLIAM E. LEISTNER
Vice President—General Manager—Argus Chemical Corporation

HENRY LEVKOFF
Vice President—Petroleum Supply and Distribution

MICHEAL D. MACBURNEY
Vice President—Pioneer Division

GEORGE F. POLZER, JR.
Vice President—Purchasing, Distribution and Traffic

RAYMOND D. SAUNDERS
Vice President—International Division

STANLEY C. TRIMBLE
Vice President—Administration

LEONARD WOOD
Vice President—General Manager—Organics Division

TRANSFER AGENT
Morgan Guaranty Trust Company of New York
23 Wall Street, New York, New York 10015
REGISTRAR
First National City Bank
55 Wall Street, New York, New York 10015
EXECUTIVE OFFICES
277 Park Avenue, New York, New York 10017

MANUFACTURING LOCATIONS

UNITED STATES

California
- Bakersfield*
- Los Angeles
- Lynwood
- Oildale
- Richmond
- Watson

Illinois
- Chicago (2)
- Lawrenceville

Indiana
- Hammond

Louisiana
- Gretna
- Taft
- Westlake*

Massachusetts
- New Bedford
- Worcester

New Jersey
- Paterson
- Perth Amboy

New Mexico
- Eunice*

New York
- Brooklyn

Oklahoma
- Ponca City*

Pennsylvania
- Bradford
- Franklin
- Petrolia

Texas
- Dallas
- Point Comfort
- Sunray*

FOREIGN

Argentina
- San Lorenzo*

Belgium
- Brussels
- Drogenbos*

Brazil
- São Paulo*

Canada — Ontario
- Brantford
- Guelph*
- Oakville

England
- Droitwich

France
- Bordeaux*
- Rouen

Italy
- Milan*
- Trecâte*

Japan
- Tokyo (2)*

Mexico
- Mexico City*

Netherlands
- Rotterdam*

Spain
- Madrid*

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Chicago, Illinois (2)
Franklin, Pennsylvania
Gretna, Louisiana
Los Angeles, California
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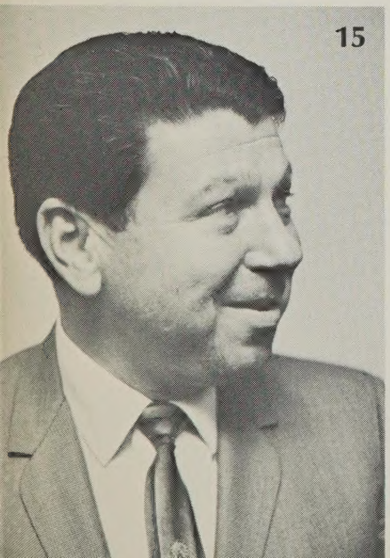

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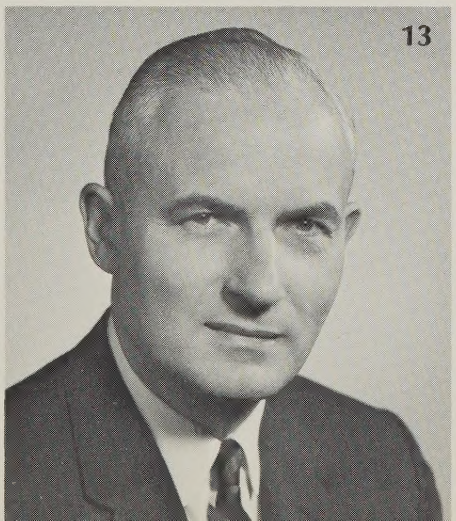

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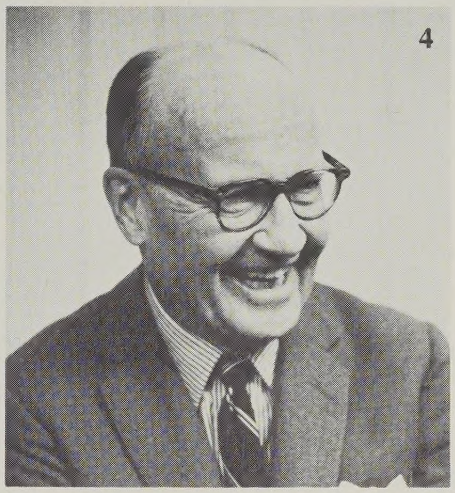

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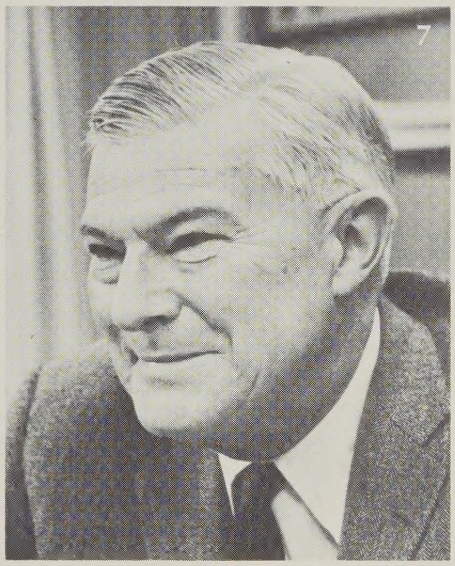

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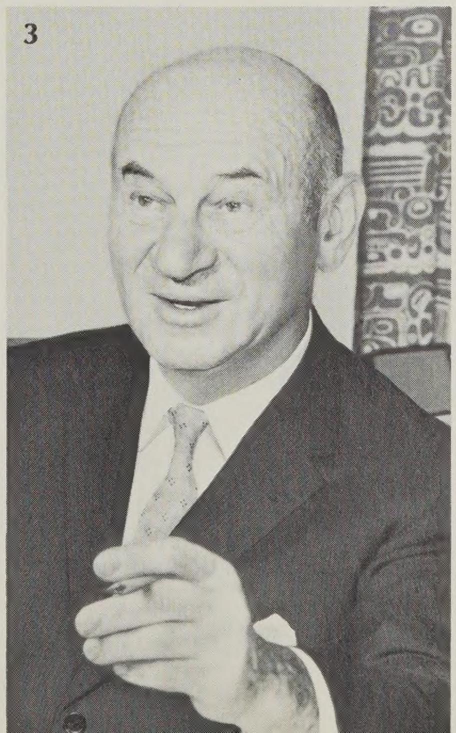

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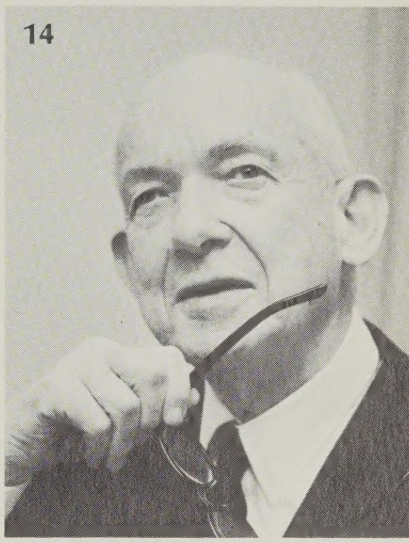

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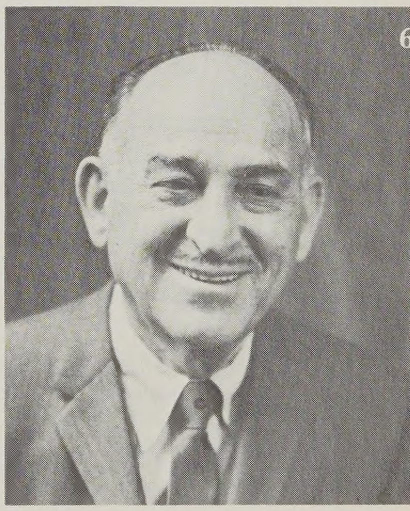

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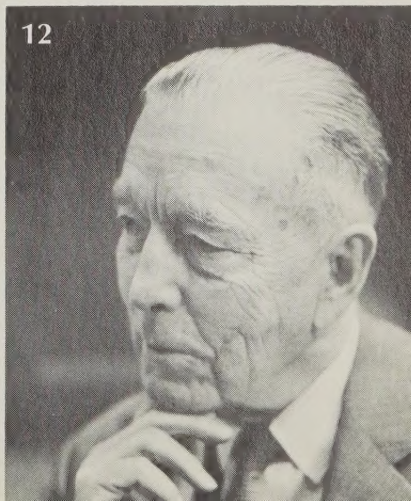

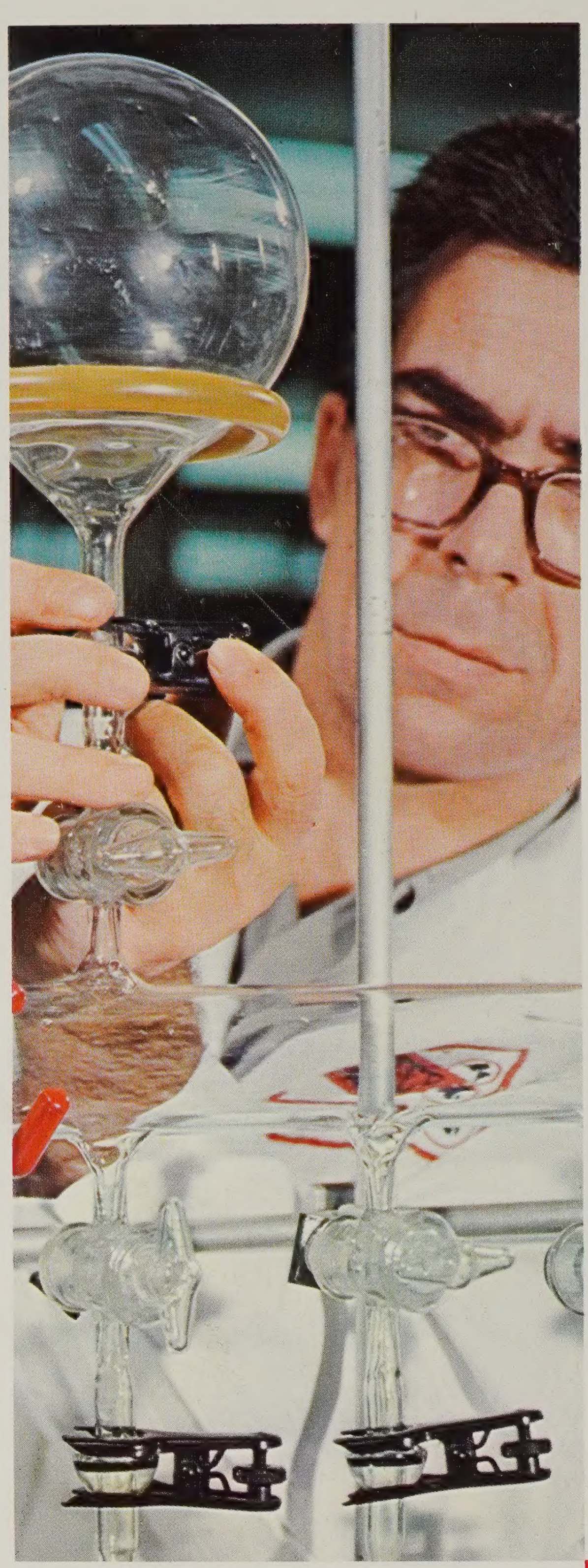

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